



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2013 Assembly Bill 110

**Assembly Substitute
Amendment 1, as Amended**

Memo published: May 6, 2013

Contact: Anna Henning, Staff Attorney (266-0292)

FoodShare is Wisconsin's program implementing the federal Supplemental Nutrition Assistance Program (SNAP). The program provides benefits to low-income families for the purchase of food. Under federal law, the foods eligible for purchase through the program generally include any food or food product intended for human consumption except alcoholic beverages, tobacco, and hot foods and hot food products prepared for immediate consumption.

2013 Assembly Bill 110

2013 Assembly Bill 110 requires the Department of Health Services (DHS) to create a pilot program to restrict the use of FoodShare benefits to only those foods, food products, and beverages that DHS determines have sufficient nutritional value. The bill directs DHS to identify specific foods, food products, and beverages, or general categories of those items that do not have sufficient nutritional value. In addition, the bill requires DHS to prohibit the use of FoodShare benefits to purchase foods that the department has identified as lacking sufficient nutritional value.

Under the bill, if DHS determines that it may not implement the pilot program without a waiver from the federal government, the department must request such a waiver, and may not implement the program until a waiver is granted.

Assembly Substitute Amendment 1

Assembly Substitute Amendment 1 to Assembly Bill 110 directs DHS to require that not less than 67% of the benefits used by a FoodShare recipient in a given month must be used to purchase the following types of foods:

- Foods identified by DHS as acceptable for use under the federal supplemental food program for Women, Infants and Children (WIC).

- Beef, pork, chicken, or fish, whether an authorized food on the list for the WIC program or not.
- Fresh produce, including white potatoes, whether an authorized food on the list for the WIC program or not.

The substitute amendment requires DHS to publish a list on its website to specify the current list of foods for which 67% of FoodShare benefits must be used. The department must also publish a list of the foods for which 33% of FoodShare benefits may be used. The substitute amendment authorizes DHS to authorize retailers to swipe FoodShare benefit cards before scanning or checking out items, in order to facilitate compliance with the substitute amendment.

The substitute amendment creates a sum sufficient appropriation for the reimbursement of retailers' and warehouse suppliers' initial implementation costs associated with the provisions under the substitute amendment and requires DHS to reimburse retail and warehouse suppliers for such costs. However, before implementing the provisions under the substitute amendment, the substitute amendment requires DHS to consult and work with stakeholders, investigate, and determine what the cost will be for retail and warehouse suppliers, and submit a report of its findings to the Joint Committee on Finance.

The substitute amendment delays the implementation of its provisions, either for three years, if no federal waiver is required, or for two years after a federal waiver is granted. If a federal waiver is required, the substitute amendment requires DHS to request a waiver within one year of the effective date of the substitute amendment.

Assembly Amendment 1 to Assembly Substitute Amendment 1

Assembly Substitute Amendment 1 requires DHS to post lists of foods which must comprise 67% of monthly FoodShare purchases and may comprise 33% of FoodShare purchases. Assembly Amendment 1 to the substitute amendment specifies that the lists refer to foods which must comprise *at least* 67% and may comprise *up to* 33% of purchases.

Assembly Amendment 2 to Assembly Substitute Amendment 1

Assembly Amendment 2 to Assembly Substitute Amendment 1 prohibits DHS from offering employment to or hiring any individual to perform functions relating to the program created under the substitute amendment.

Bill History

Representative Kaufert offered Assembly Substitute Amendment 1 and Assembly Amendment 1 to Assembly Substitute Amendment 1 on April 29, 2013. Representative Knodl offered Assembly Amendment 2 to Assembly Substitute Amendment 1 on the same day. On April 30, 2013, the Assembly Committee on State Affairs voted to recommend the adoption of the substitute amendment and both amendments to the substitute amendment on votes of Ayes, 7; Noes, 2; and Absent, 2. On the same day, the committee voted to recommend passage of the bill, as amended, also on a vote of Ayes, 7; Noes, 2; and Absent, 2.

AH:jal